

King County Parks Business Plan Accomplishments

Since King County's 2002 budget crisis, the Parks Division has been empowered to engage in "good government" initiatives and embrace non-traditional ways of doing business.

This ongoing transformation – from a centrally funded service provider to an entrepreneurial, performance-driven organization – ensures that parks serve to enhance communities and our regional quality of life, even during tight fiscal times.

As a non-mandated service in a county with anticipating budget shortfalls, King County Parks staff face the entrepreneurs' reality that if success in meeting targets is not achieved, the system itself will no longer exist to serve the public.

Enterprise revenues are non-traditional activities including: corporate sponsorships, parking, facility rentals. Generated by aggressive, deliberate strategy and asset mixing, enterprise successes build public trust and create taxpayer value.

User fee revenues are a traditional way of doing business. These fees include pool fees, field rentals, recreational programs. Individual fees are market-driven and are expected to plateau. Additional capital investment could elevate revenue plateau.

While revenue from user fees increased greatly in 2003, growth has been slower in the 2004-2006 period. Additional capital investments may be required to achieve further revenue increases. User fee revenues grew an average of 4.7 percent annually between 2003 and 2006.

Partnerships

Corporate and enterprise partnerships increase recreational opportunities without ongoing costs and help generate new revenue for operations and maintenance.

The Partnership for Parks team listens to citizens and community groups to ensure that corporate partnerships reflect the aesthetic and values of parks.

The voter-approved levy that is set to expire at the end of 2007 funds about 57 percent of the system's maintenance and operations costs, while entrepreneurial partnerships provide more than 20 percent of the division's overall operating budget.

Value from corporate partnerships is not only critical to filling a budget gap but also to build the public's trust that King County Parks is worthy of the community's support.

The Partnership for Parks team aggressively pursues mutually beneficial agreements including: concessions, naming rights, event sponsorships, gifts and grants, marketing and advertising, utilities and lease agreements and public/private facility development, among many other projects.

Examples of King County Parks' enterprise revenue successes:

\$610,000 for five-year naming rights for the Group Health Velodrome;
 \$100,000 for a one-year naming right for MSN Wi-Fi Hotspots;
 \$300,000 for a three-year title sponsorship of U.S. Bank Concerts at Marymoor;
 \$250,000 for a one-year trails project with Starbucks;
 \$550,000 for a bi-annual lease agreement with Cirque du Soleil and related parking revenue;
 \$5,000 per month average for two Subway restaurants;
 \$25,000 annual agreement with Pepsi;
 \$12,000 annually from small concessions;
 \$105,000 annually from a gravel agreement;
 \$400,000 annually from parking fees at Marymoor; and
 \$90,000 annually from cell towers and other utility agreements.

Capital Investments to Support Business Revenue

The Parks Division is making smart capital investments to reduce operating costs and improve revenue generation. For example a new synthetic turf complex constructed at Marymoor Park for a capital investment of \$4.5 million has generated an annual operating revenue increase of \$400,000.

Generating enterprise revenues often requires significant up-front capital investments. For example:

Project	CIP Investment	Annual Gross Revenue (3-yr. average)
Concert Stage @ Marymoor	\$1 M	\$140,400
Velodrome Naming Rights	\$20,000	\$102,000
Subway Concession @ KCAC	\$20,000	\$14,200
Trails Kiosks (1-time only)	\$70,000	\$82,000
Event Area @ Marymoor	\$1.5M	\$370,000

Some of King County Parks' most active partners include:

Cirque du Soleil, City of Redmond, Redmond Town Center – King County Parks negotiated with Cirque du Soleil to bring its renowned theatrical circus show to King County's Marymoor Park near Redmond in 2006. This was the first event to be scheduled for the new recreation event and activity area, which is intended to boost the entertainment and recreational possibilities at Marymoor.

Group Health Cooperative, Marymoor Velodrome Association, Cascade Bike Club – King County Parks receives \$120,000 per year from Group Health for the naming rights of the Group Health Velodrome. This successful partnership provides King County with important revenue to maintain and operate Washington state's only velodrome for competitive and non-competitive cycling events, classes and programs. In exchange, Group Health has the opportunity to support healthy lifestyles and active living.

Starbucks Neighborhood Parks Program, Washington Trails Association, Cascade Bike Club – King County's regional trail system sees more than three million users per year. Starbucks' \$250,000 investment in that system encourages healthy lifestyles, and creates opportunities for citizens of all demographics to connect with one-another and the environment.

MSN (Microsoft), Friends of Marymoor Park – MSN has contributed \$100,000 for the annual naming rights of the Wi-Fi hotspots at Marymoor Park, Weyerhaeuser King County Aquatic Center and White Center Park, which gives King County the ability to offer users of these facilities a valuable amenity at no cost.

Community Partnership Accomplishments:

Technology Access Foundation – In a unique public/private partnership, TAF is leveraging \$2 million in county funding to build the \$13 million, state-of-the-art Community Center for 21st Century Skills at Lakewood Park. This facility will serve the most culturally diverse communities in King County. The foundation will take the lead for capital construction fundraising, designing, building and operating the community center.

Serve Our Dog Area (SODA) – Maintains and operates a 42 acre off leash dog park at Marymoor Park. This is the most active dog park in the country and attracts more than 700,000 day use visits annually and contributes more than \$60,000 annually in revenue to parks.

Sammamish Rowing Association – SRA is taking \$150,000 in Community Partnership Grants and successfully leveraging these monies through public/private partnerships in developing a new \$2.4 million rowing facility at Marymoor Park.

Preston Community Club – The PCC and various partners are leveraging \$700,000 in Community Partnership Grants through public/private partnerships and developing a \$3.5 million regional park asset.

Cascade Land Conservancy – The CLC has partnered with King County to preserve more than 100,000 acres of open space and natural/conservation lands, including the Snoqualmie Tree Farm with more than 90,000 acres..

King County Parks' volunteers – Since 2001, volunteers have provided more than 250,000 hours of service on King County Parks' lands which translated to additional projects and programs without additional funding. In addition, volunteer work parties engage citizens in a very personal way with King County Parks' mission and vision.

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